

# **– GUIDELINES –**

## **THE REVOLVING LOAN PROGRAM FOR HISTORIC PROPERTIES**

(and other financial incentives)



Wichita-Sedgwick County  
Metropolitan Area Planning Department  
Historic Preservation Office  
&  
City of Wichita  
Neighborhood Improvement Services



# Revolving Loan Program for Historic Properties

**Purpose:** Provide low-interest loans to encourage the preservation and rehabilitation of historic properties in Wichita.

**Eligibility:** The property to be rehabilitated shall be designated and listed on the National, State or Local Register as a landmark in Wichita; a contributing element in a designated and listed historic district on the National, State or Local Register in Wichita; listed in the Undesignated Historic Resource List as adopted by City Council, September 15, 1998; or be eligible for possible listing as an individually designated or contributing element in an historic district on the National, State or Local Register as a landmark in Wichita. Property must be within the portion of the Neighborhood Revitalization Area located within the 1919 Wichita City limits.

Any qualifying property must **additionally** (a) be within an area designated as “slum and blighted,” or (b) pose a situation of “spot blight.”

**Interest:** Four percentage points below the Prime Rate lending rate at the date of loan closing. Twenty (20) year term for maximum amount. At the time of making financial application, the applicant will pay a fee of \$125 for costs of obtaining a credit report and title certificate.

**Covenant:** Properties not officially designated by city ordinance as a Wichita Landmark or a contributing element within a Wichita Landmark District or listed in the Kansas or National Register of Historic Places will have a covenant placed on the property for the life of the loan.

**Maximum Loan Amount—\$25,000/\$10,000:**

Properties designated by ordinance can borrow up to \$25,000. Properties that are potentially eligible for listing can borrow up to \$10,000. Certification of the historic status is the responsibility of the Preservation Planner. A property owner may reapply for additional funds under the Revolving Loan Program if the owner has not received the maximum amount.

Owners of designated properties may submit a request in excess of the maximum amount. A 2/3 majority vote by the Historic Preservation Board (HPB) is required for approval. If approved by the HPB, the request is submitted to the City Council, which has final authority of approval.

**Loan applications are to be submitted to the Historic Preservation Planner.** The application shall include a financial statement, third party income verification, description of the work to be done, at least one signed estimate from a licensed contractor for the proposed work, and an application fee of \$125.00, to be applied towards closing costs (credit report and title search). In the event the loan is not closed, any unexpended applications fees will be returned to the applicant.

***All construction proposed to be accomplished with these funds must be approved by the Historic Preservation Board (HPB) and receive a Certificate of Appropriateness.***

For any properties other than single-family residences, rehabilitation owners and contractors must comply with **Federal Labor Standards**.

**Eligible work items** include the following and should be listed on the loan application in the order of priority for the preservation of the structure:

1. Work necessary to bring structure up to life-safety code standards.

2. Structural
  - a. foundation repair
  - b. roof repair, chimney repair
  - c. framing repair, sill
  - d. sheathing repair, windows and doors
3. Mechanical
  - a. rewiring
  - b. replumbing
  - c. insulation
  - d. mechanical systems, climate control
4. Interior architectural elements of outstanding historical importance; for example, a ceiling, a fireplace, a staircase.

Exterior painting is also eligible. In the event only a portion of the funds requested can be allocated, the HPB shall take into consideration the above-listed order of precedence for eligible work items in order to determine which work elements are most critical to the structure.

No structural addition that would enlarge the livable space of the project is to be financed with these funds — nor an area not originally a livable space made livable.

The HPB will prioritize projects. Consideration will be given to (1) threats to the survival of the structure, (2) importance of the structure to the overall goals of preservation in Wichita, (3) structural integrity and condition of the structure, and (4) cost effectiveness of the proposed work. Preference will also be given to the owner-occupant of residential buildings and to private, non-profit organizations.

In determining the amount of the request to be recommended, the HPB will also consider the time required to complete the project. Applicants are requested to limit loan requests for projects that can be completed in a 12-month period.

## **DEFERRED HISTORIC LOAN PROGRAM**

Deferred Historic Loans will be available for owner occupied single family residences, who meet 80% median income guidelines, and do not qualify for monthly installment loans due to credit problems or do not possess the ability to repay a loan. The director of the Neighborhood Improvement Services shall make this determination.

Eligibility requirement for the property, design review standards and review process is the same as the requirements for the Historic Revolving Loan Program.

**Conditions:** The borrower will not be required to repay the amount loaned during the borrower's lifetime as long as the borrower remains the owner and residential occupant of the improved property. In the event that the borrower conveys their interest in the property, the mortgage shall be immediately due and owing. Interest shall be 0%.

The borrower's heirs may inherit the real property and not repay the loan as long as they occupy the structure as a permanent residence, meet the income criteria and maintain the structure.

**Eligible work items** are the same as for the Revolving Loan Program with the exclusion of item four.

## **TAX REBATE PROGRAM**

Property tax rebates are available for new construction, additions to existing properties and rehabilitation within the Neighborhood Revitalization Area. These rebates apply to single family homes, multi-family residences and commercial properties. Rebates are based on the amount of the increase in taxes paid after the project is completed. Depending on the type of property, rebates could be as high as 95% of the increase in taxes. **For more information, call the housing office at 316-268-4691.**

## **RESIDENTIAL BUILDING PERMIT FEE WAIVER**

Building permit fee waivers are available for residential construction — new construction, additions to existing structures, and rehabilitation of existing structures — for single family and two-family residences. The permit value must be at least \$10,000 for the fee waiver to apply. Properties must be located within the Neighborhood Revitalization Area. Eligibility of the project is determined at the time the building permit is issued. **This program is administered by the Office of Central Inspection.**

## **DESIGN REVIEW STANDARDS**

The Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring & Reconstructing Historic Buildings will be used for design guidance in addition to the published guidelines for Wichita's designated historic districts. These publications can be viewed at the MAPD Historic Preservation Office, 455 N. Main, 10<sup>th</sup> Floor.

**Work is not to begin on any project covered by a loan application until the Certificate of Appropriateness has been approved by the HPB and the loan processed.**

For more information about these programs, call the Historic Preservation Planner at 316-268-4421.

## HISTORIC LOAN PROGRAM FINANCIAL APPLICATION

Date: \_\_\_\_\_

Head of Household: \_\_\_\_\_

Social Security No.: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Age: \_\_\_\_\_ Race: \_\_\_\_\_ Sex: \_\_\_\_\_

Is applicant disabled/handicapped? \_\_\_\_\_

Co-Applicant: \_\_\_\_\_

Social Security No.: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Age: \_\_\_\_\_ Race: \_\_\_\_\_ Sex: \_\_\_\_\_

Is applicant disabled/handicapped? \_\_\_\_\_

### Place of Employment

### Head of Household

### Co-Applicant

Name and Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Dependents:** Sex: \_\_\_\_\_ Age: \_\_\_\_\_ Sex: \_\_\_\_\_ Age: \_\_\_\_\_ Sex: \_\_\_\_\_ Age: \_\_\_\_\_  
Sex: \_\_\_\_\_ Age: \_\_\_\_\_ Sex: \_\_\_\_\_ Age: \_\_\_\_\_ Sex: \_\_\_\_\_ Age: \_\_\_\_\_

### Existing debt on property to be rehabilitated:

Original mortgage amount: \$ \_\_\_\_\_

Lender: \_\_\_\_\_

Unpaid balance: \$ \_\_\_\_\_

### Household Income

Wages \$ \_\_\_\_\_  
Other Earnings \$ \_\_\_\_\_  
Real Estate Income \$ \_\_\_\_\_  
Pensions, Annuities, Soc. Sec. \$ \_\_\_\_\_

### Monthly Housing Expenses

Mortgage Payment \$ \_\_\_\_\_  
Ground Rent \$ \_\_\_\_\_  
Hazard Insurance \$ \_\_\_\_\_  
Property Taxes \$ \_\_\_\_\_  
Maintenance \$ \_\_\_\_\_  
Utilities \$ \_\_\_\_\_  
Other \$ \_\_\_\_\_

### Monthly Fixed Charges

Payment Taxes \$ \_\_\_\_\_  
Life Ins. Prem. \$ \_\_\_\_\_  
Soc. Sec. Pymts \$ \_\_\_\_\_  
Installment Pymt \$ \_\_\_\_\_  
Operating Exp. Real Estate \$ \_\_\_\_\_  
Other \$ \_\_\_\_\_

TOTAL: \$ \_\_\_\_\_

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TOTAL: \$ \_\_\_\_\_

### ASSETS

Cash Accts. \$ \_\_\_\_\_  
Type & Name

U.S. Bonds \$ \_\_\_\_\_  
Marketable Securities \$ \_\_\_\_\_  
Other Real Estate Owned

\_\_\_\_\_ \$ \_\_\_\_\_  
\_\_\_\_\_ \$ \_\_\_\_\_

TOTAL: \$ \_\_\_\_\_

### LIABILITIES

Automobile  
Name of Lender:

\_\_\_\_\_  
Life Ins. Loans  
Notes Payable (Describe)

\_\_\_\_\_ \$ \_\_\_\_\_  
\_\_\_\_\_ \$ \_\_\_\_\_  
\_\_\_\_\_ \$ \_\_\_\_\_

TOTAL: \$ \_\_\_\_\_

### Mo. Pymt.

\$ \_\_\_\_\_

### Unpaid Bal

\$ \_\_\_\_\_

\$ \_\_\_\_\_ \$ \_\_\_\_\_

\$ \_\_\_\_\_ \$ \_\_\_\_\_

\$ \_\_\_\_\_ \$ \_\_\_\_\_

\$ \_\_\_\_\_ \$ \_\_\_\_\_